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tions" (p. 80). It is then no more than reasonable to amend the constitution so as to make it serve the ends of industrial corporations. We think, however, that the learned jurist does not go far enough in this direction. Why this distinction between street lighting, and the police, fire service, education, taxation, etc.? Would not a fire department render cheaper and more efficient service under the management of an industrial corporation than under that of a political corporation? We have witnessed quite successful experiments of private police departments run by industrial corporations. Taxation was for centuries a private monopoly in France, and it was only as late as 1863 that it was taken away from private monopolists in Russia.

ISAAC A. HOURWICH.

Fourth Special Report of the Commissioner of Labor. Compulsory Insurance in Germany. Including an Appendix Relating to Compulsory Insurance in other Countries in Europe. Prepared under the Direction of CARROLL D. WRIGHT, Commissioner of Labor, by JOHN GRAHAM BROOKS. Washington: Government Printing Office, 1893.

A SPECIAL REPORT upon insurance laws in Germany has been issued by the Department of Labor. It is written by Mr. John Graham Brooks. Mr. Brooks accepted a commission from the Department in July of 1891, and during the two years following resided in Germany, occupied in observing and studying German social conditions. The report therefore possesses the qualities of a laboratory thesis in Sociology.

An introductory chapter follows historically the growth of paternalism in Germany, or, to avoid the use of an odious term, the growth of that conception of government which holds the state responsible for the welfare of the workingman, and for the protection of the weak members of society against the strong and against their own weaknesses; compulsory insurance is one of the most recent developments of this conception. The law of compulsory insurance against sickness (1883), the law of compulsory insurance against accidents (1884), and the law of compulsory insurance against old age and invalidity (1889), form the subjects of chapters ii, iii, and iv, respectively. The text of the laws and of amendments is printed in the body of the Report. Chapters v.-x., discuss the relation of insurance to

wages and to public charity, the state of public opinion with reference to the laws, and some of the difficulties which have been encountered in their administration. The course of the movement for compulsory insurance in other European countries is traced in the appendix. Interesting tabular statements are given and a short bibliography.

The working out of Bismark's experiment in state socialism—if by courtesy the epithet "socialistic" may be applied to anything so definite and so conservative as compulsory insurance—has already offered great opportunities for exercise of German ingenuity in statecraft, and promises to offer as great opportunities in the future. Matters have not yet advanced to that stage where one may safely declare either that the undertaking is "all Bismark's folly", or "all Bismark's glory"; it is only certainly one or the other. The laws put a new burden upon the German people, and have not yet perceptibly lightened the burden of pauperism previously borne; whatever economic saving may be noted in the future no such saving is yet apparent. The chief among the good results to be expected are, Mr. Brooks believes, moral and educational; moral good will, he contends, spring from the sense of solidarity which must result from any attempt, successful or unsuccessful, to enforce the laws; educational good will consist in the accumulation and popularization of statistical information, as, for example, knowledge of the number, kinds, and causes of accidents, how they may be prevented, and at what hours of the day and on what days of the week they occur with greatest frequency. Moral and educational influences such as these work their reformation only after a time; their strength can never be more than estimated, since their effects cannot be isolated and measured, as an economic saving can be isolated and measured.

With the laws as they stand few if any are wholly satisfied. The amounts of the payments to be made in the cases of accident, sickness, and invalidity; the amounts to be contributed respectively by the insured, the employers and the government; the terms during which insurance should run, were matters of opinion upon which there was no consensus. Socialists accept the laws as a slight concession to their power, but are not at all satisfied, and urge more radical legislation. Bismark has not taken the wind out of their sails; he has hardly hove in sight of them. The laborers feel that the pensions are small and that the old age and invalidity pensions are too long deferred.

Moreover the incidence of this new form of indirect taxation is sufficiently indefinite to enable socialists to declare confidently that the entire insurance fund is paid in the last instance by the workingmen, and that the workingmen are getting back only a portion of what they contribute. It was perhaps to be expected that the distribution of the insurance fund among the laborers would be accompanied by a considerable amount of dissatisfaction owing to the oftentimes very obvious inadequacy of the money payments, but it could not have been foreseen that the socialists themselves who would seem to be chiefly interested on principle in the success of this experiment in state socialism, would be the chief ones to arouse suspicion and discontent. If the state cannot be trusted with the distribution of an insurance fund it is certainly unprepared to undertake the duties which the social democrats would thrust upon it.

The expectations of the more sanguine supporters of the laws have of course not been fulfilled. The insured have not gone out of the congested cities to spend their pensions in the country. The burden of pauperism has not been perceptibly lightened. Amicable relations between employers and employed have not been very generally established. Social-Democracy has not been weakened. The decline of voluntary labor organizations in Germany, a natural enough result of compulsory legislation, is nevertheless a source of regret to many. The laborers naturally feel less interest and responsibility as members of the large government associations than they felt as members of their own smaller voluntary and social organizations. This lack of personal interest shows itself chiefly in the tendency to play sick and to make all hurts and accidents sources of as great pecuniary gain as possible; the increase in the per cent. of patients afflicted with rheumatism and other diseases where simulation is not easily detected has been the source of considerable alarm to the friends of the movement.

It is, however, too soon to estimate the ultimate effects of this legislation. Fortunately the success or failure of compulsory insurance does not depend upon the expectations of those who have brought it about, but upon the actual social-ethical results which follow its realization, however unexpected these may be. Mr. Brooks has given an account of the conditions under which the experiment is being tried and has, it appears, wisely refrained from drawing conclusions.

JOHN CUMMINGS.